



**OKLAHOMA STATE TREASURER
KEN MILLER**

For Immediate Release: September 7, 2017

Twelve-Month Gross Receipts to the Treasury Turn Positive for First Time in Two Years

OKLAHOMA CITY – Total Gross Receipts to the Treasury during the past 12 months are higher than collections during the prior 12 months for the first time since August 2015, and monthly gross receipts topped collections from the same month of last year for a seventh time since January, State Treasurer Ken Miller announced today.

Gross receipts for the past 12 months exceeded collections from the prior 12 months by \$79 million, or 0.7 percent, and collections during August were more than the same month of last year by \$47.4 million, or 5.7 percent, Miller said.

“Oklahoma’s economic recovery, slow and steady, continued through August,” Miller said. “The energy sector remains the primary driver of the state’s economic expansion as evidenced by the continued rise in oil field employment and gross production tax payments.”

August gross production tax collections are higher than the prior year for an eleventh consecutive month. Monthly receipts from the production of oil and natural gas generated \$43.8 million, an increase of \$11.9 million, or 37.6 percent. In the past 12 months, gross production receipts are up by \$119 million, or 34.3 percent.

In August, sales and individual income tax collections were also ahead of the prior year, while corporate income and motor vehicle tax payments were lower. During the last 12 months, gross production, sales and motor vehicle taxes are all higher than the prior period. Only individual and corporate income tax receipts remain below those of the previous 12 months.

New revenue contributes to bottom line

Legislation enacted last session that generates additional revenue for the state had an impact on gross receipts for the first time in August, adding \$16.7 million to the bottom line. The largest amount, \$10.7 million, came from the new 1.25 percent state sales tax on motor vehicles. A \$5 fee on motor vehicle registration boosted collections by \$1.7 million for the month.

Elimination and suspension of gross production tax rebate payments added \$3 million to gross collections. Beginning next month, the state will start to see the impact of raising the 1 percent horizontal drilling gross production tax rate to 4 percent.

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Ending a discount for businesses that remit sales tax generated an additional \$1.2 million for the month. A new fee assessed on professional sports tickets contributed \$34,855.

Other indicators

Oklahoma's seasonally-adjusted unemployment rate rose by one-tenth of a percentage point to 4.4 percent in July, according to figures released by the Oklahoma Employment Security Commission. State jobless numbers improved by seven-tenths of a percentage point over the year. The U.S. jobless rate was set at 4.3 percent for the month.

After dropping below growth neutral in July, the Oklahoma Business Conditions Index reentered growth territory in August. The overall index was set at 56.2 from 49.4 in July. Numbers above 50 indicate anticipated positive economic growth in the next three to six months. The index has been above 50 during seven of the past eight months.

August collections

Receipts for August set gross collections at \$879.7 million, up \$47.4 million, or 5.7 percent, from August 2016.

Gross income tax collections, a combination of personal and corporate income taxes, generated \$253.6 million, a decrease of \$638,000, or 0.3 percent, from the previous August.

Individual income tax collections for the month are \$246.7 million, up by \$4.1 million, or 1.7 percent, from the prior year. Corporate collections are \$6.8 million, a decrease of \$4.7 million, or 40.7 percent.

Sales tax collections, including remittances on behalf of cities and counties, total \$380.9 million in August. That is \$29.6 million, or 8.4 percent, more than August 2016.

Gross production taxes on oil and natural gas generated \$43.8 million in August, an increase of \$11.9 million, or 37.6 percent, from last August. Compared to July reports, gross production collections are up by \$1.8 million, or 4.4 percent.

Motor vehicle taxes produced \$67.9 million, down by \$729,000, or 1.1 percent, from the same month of last year.

Other collections, consisting of about 60 different sources including use taxes, along with taxes on fuel, tobacco, horse race gambling and alcoholic beverages, produced \$133.5 million during the month. That is \$7.2 million, or 5.7 percent, more than last August.

Twelve-month collections

Gross revenue totals \$11.1 billion from the past 12 months. That is \$79 million, or 0.7 percent, more than collections from the previous 12 months.

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Gross income taxes generated \$3.9 billion for the September 2016-August 2017 period, reflecting a decrease of \$147 million, or 3.6 percent, from the September 2015-August 2016 period.

Individual income tax collections total \$3.5 billion, down by \$38.3 million, or 1.1 percent, from the prior 12 months. Corporate collections are \$399 million for the period, a decrease of \$108.7 million, or 21.4 percent, over the previous period.

Sales taxes for the period generated \$4.3 billion, an increase of \$36.7 million, or 0.9 percent, from the prior year.

Oil and gas gross production tax collections brought in \$466.1 million during the past 12 months, up by \$119 million, or 34.3 percent, from the previous 12-month period.

Motor vehicle collections total \$760.4 million for the period. This is an increase of \$7.3 million, or 1 percent, from the trailing period.

Other sources generated \$1.6 billion, up by \$62.9 million, or 4 percent, from the previous 12 months.

About Gross Receipts to the Treasury

Since March 2011, the Office of the State Treasurer has issued the monthly Gross Receipts to the Treasury report, which provides a timely and broad view of the state's macro economy.

It is provided in conjunction with the General Revenue Fund allocation report from the Office of Management and Enterprise Services, which provides important information to state agencies for budgetary planning purposes.

The General Revenue Fund receives less than half of the state's gross receipts with the remainder paid in rebates and refunds, remitted to cities and counties, and placed into off-the-top earmarks to other state funds.

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For more information contact:

Tim Allen, Deputy Treasurer for Communications & Program Administration
(405) 522-4212

Gross Receipts to Treasury

PRELIMINARY

MONTHLY COMPARISON

(In \$ millions)	August-16	August-17	Variance From Prior Year	
			\$	%
Income Tax	254.2	253.6	(0.6)	-0.3%
Gross Production	31.8	43.8	11.9	37.6%
Sales Tax (1)	351.2	380.9	29.6	8.4%
Motor Vehicle	68.7	67.9	(0.7)	-1.1%
Other Sources (2)	126.3	133.5	7.2	5.7%
TOTAL REVENUE	832.2	879.7	47.4	5.7%

(1) Includes Collections for Counties and Municipalities

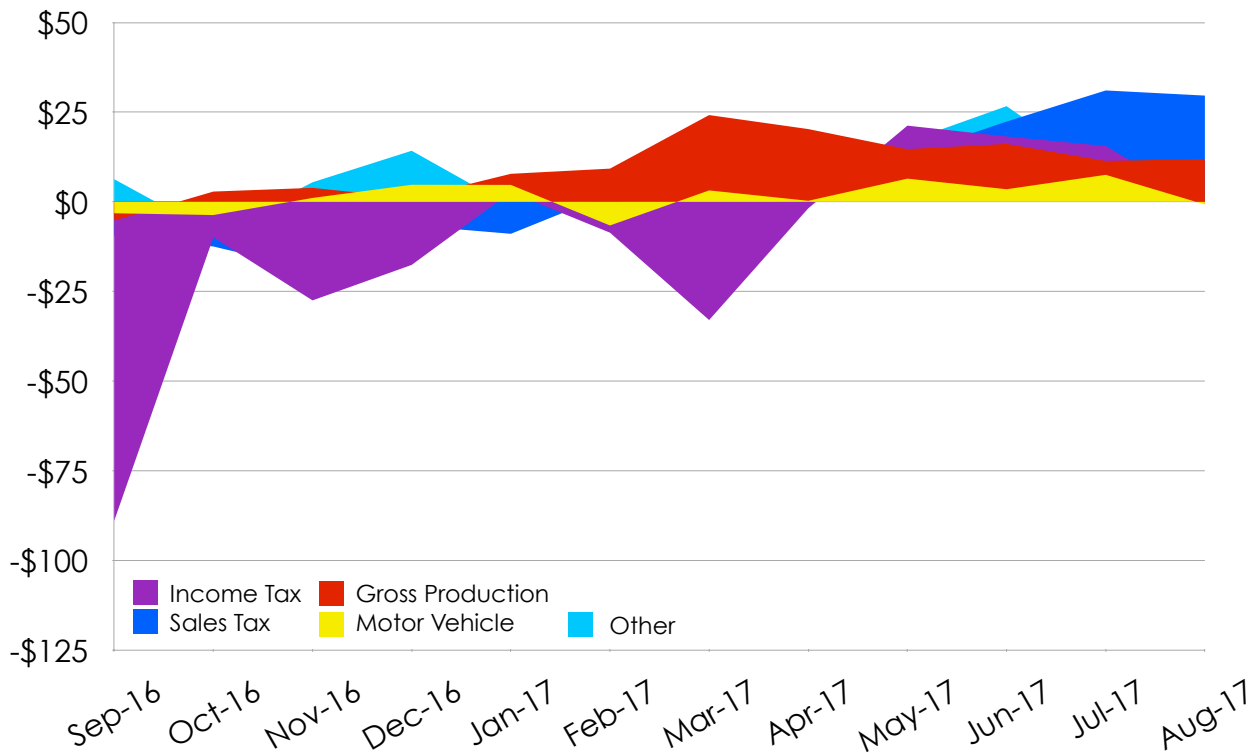
(2) Gross Collections from OTC

Details may not sum due to rounding.

Monthly Gross Receipts vs. Prior Year

September 2016 – August 2017

Dollar Variance in Millions from Same Month of Prior Year



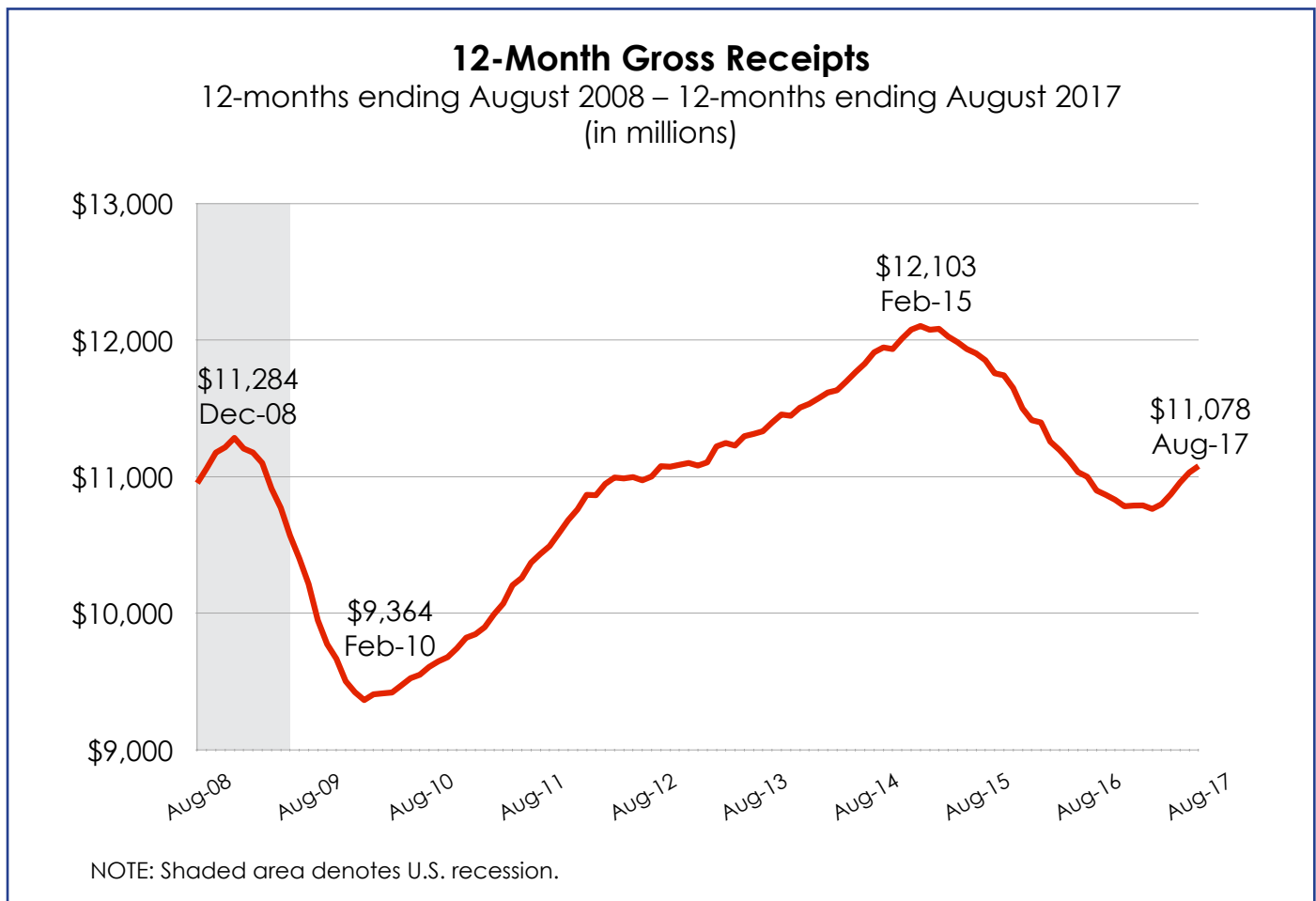
Gross Receipts to Treasury

PRELIMINARY (In \$ millions)	12 Month Period Ending SEPT 16 - AUG 2017		Summary	
	Prior Year	Current Year	Variance From Prior Year	
	SEPT 15 -AUG 16	SEPT16 - AUG17	\$	%
Income Tax	4,087.0	3,940.0	-147.0	-3.6%
Gross Production	347.0	466.1	119.0	34.3%
Sales Tax (1)	4,242.4	4,279.1	36.7	0.9%
Motor Vehicle	753.1	760.4	7.3	1.0%
Other Sources (2)	1,569.3	1,632.3	62.9	4.0%
TOTAL REVENUE	10,998.9	11,077.9	79.0	0.7%

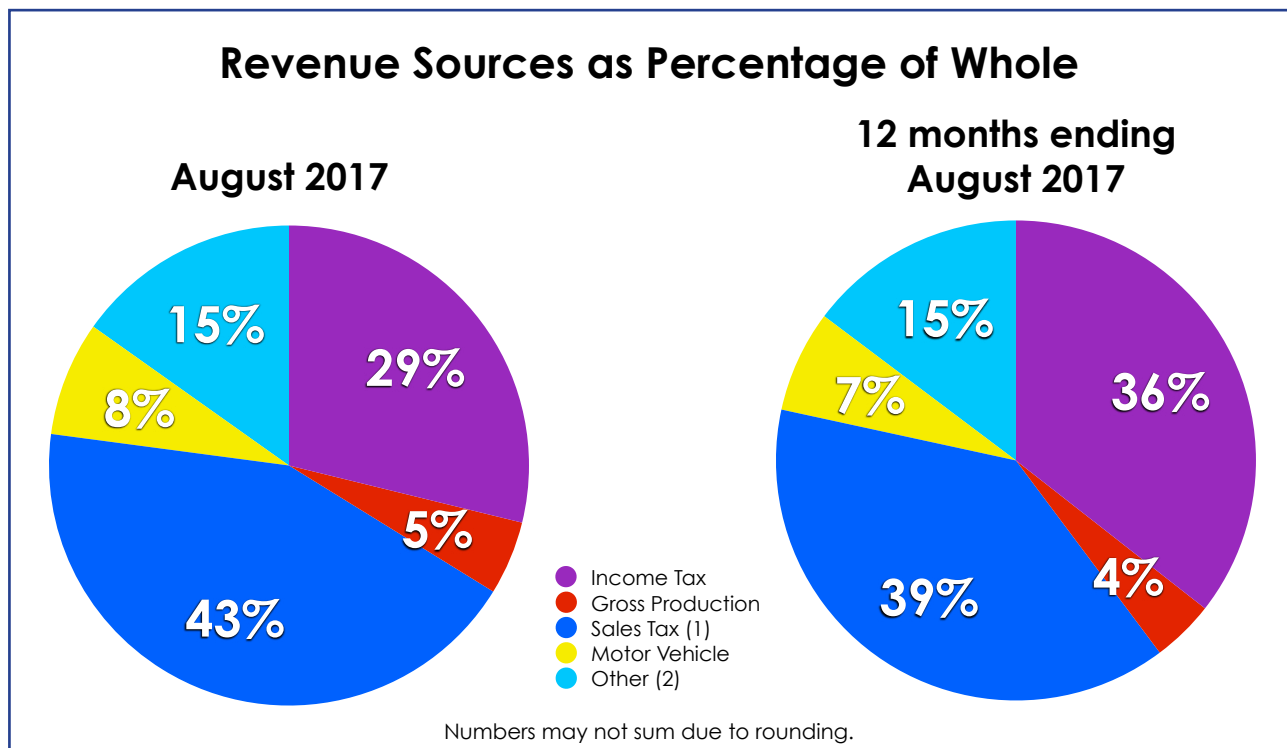
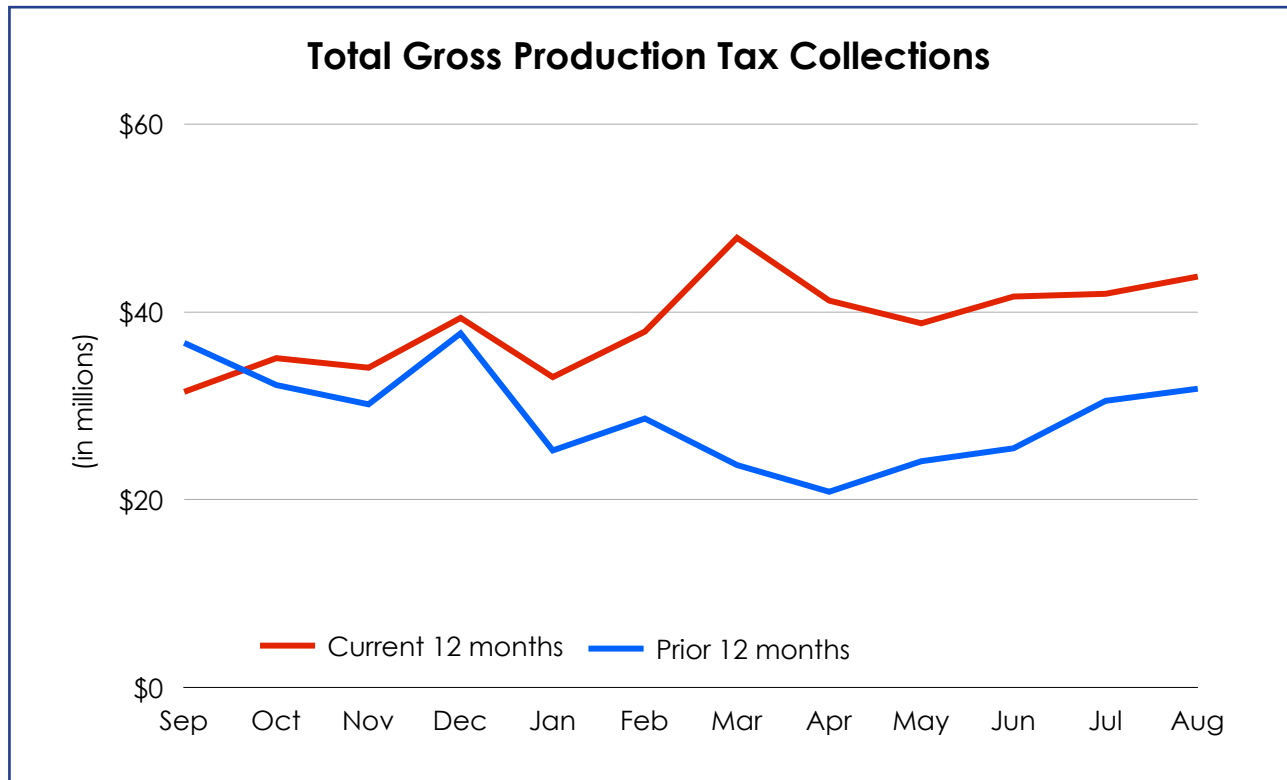
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Gross Receipts to Treasury



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Office of the State Treasurer